



93RD GENERAL ASSEMBLY
State of Illinois
2003 and 2004
HB4564

Introduced 02/03/04, by Mike Boland

SYNOPSIS AS INTRODUCED:

New Act

Creates the Public Health Advocates Act. Creates the Public Health Advocates, a nonprofit membership corporation. Provides that the Public Health Advocates shall effectively represent and protect the interests of individual health care consumers in the State. Provides that the Public Health Advocates shall have the right to participate in a regulatory agency proceeding, unless the regulatory agency reasonably determines that the proceeding will not affect the interests of individual health care consumers of the State or does not relate to any public health issues. Establishes a Board of Directors to manage the affairs of the Public Health Advocates. Establishes the election and annual meeting procedures for the directors. Effective immediately.

LRB093 19705 RXD 45446 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning public health.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 1. Short title. This Act may be cited as the Public
5 Health Advocates Act.

6 Section 5. Purpose. The purpose of this Act is to insure
7 effective and democratic representation of individual health
8 care consumers before regulatory agencies, legislative bodies,
9 courts, and other public bodies, and to establish a practical
10 means so that consumers can provide themselves with education
11 and advice related to public health issues, decent health care
12 services and products, prescription drugs, and the purchase and
13 use of health insurance, by:

14 (a) creating a nonprofit organization, pursuant to the
15 General Not For Profit Corporations Act of 1986, to represent
16 the interests of health care consumers before regulatory
17 agencies, legislative bodies, courts, and other public bodies,
18 and provide educational and advisory services to health care
19 consumers;

20 (b) providing for democratic accountability of the Board of
21 Directors of the organization to its health care consumer
22 constituency through open elections of Directors with thorough
23 financial disclosure requirements and campaign spending
24 limitations;

25 (c) encouraging active citizen participation in the
26 regulatory process through involvement in the activities of the
27 organization; and

28 (d) creating an efficient method of funding for the
29 organization, involving no burden on the taxpayers of this
30 State, whereby individual health care consumers and other
31 citizens may voluntarily contribute to the organization.

1 Section 10. Definitions. In this Act:

2 "Campaign contribution" means: (1) a gift subscription,
3 loan, advance, or deposit of money, or anything of value, made
4 for the purpose of electing a candidate to the Board of
5 Directors of the Corporation; or (2) a contract, promise, or
6 agreement, express or implied, whether or not legally
7 enforceable, to make any campaign contributions.

8 "Campaign contribution" does not include the value of
9 services provided without compensation by individuals who
10 volunteer a portion or all of their time on behalf of a
11 candidate or political committee; or the use of real or
12 personal property and the cost of invitations, food, and
13 beverages, voluntarily provided by an individual to a candidate
14 in rendering voluntary personal services on the individual's
15 residential premises for activities related to the candidate's
16 campaign, if the cumulative value of the activities by the
17 individual on behalf of any candidate does not exceed \$100 for
18 any election.

19 "Campaign expenditure" means: (1) a purchase, payment,
20 distribution, loan, advance, deposit, or gift of money or
21 anything of value, made for the purpose of electing a candidate
22 to the Board of Directors of the Corporation; or (2) a
23 contract, promise, or agreement, express or implied, whether or
24 not legally enforceable, to make any campaign expenditure.

25 "Campaign expenditure" does not include the use of real or
26 personal property and the cost of invitations, food, and
27 beverages, voluntarily provided by an individual to a candidate
28 in rendering voluntary personal services on the individual's
29 residential premises for activities related to the candidate's
30 campaign if the cumulative value of the activities by the
31 individual on behalf of any candidate does not exceed \$100 for
32 any election.

33 "The Corporation" means Public Health Advocates.

34 "Director" means any person serving on the Board of
35 Directors of the Corporation.

36 "District" means a corporation district, the boundaries of

1 which are congruent with the boundaries of the State's
2 Congressional districts.

3 "District director" means director elected from a
4 district.

5 "Health care company" means a corporation or other entity
6 engaged in the business of selling, within this State, health
7 care services, or health care products, or both health care
8 services and products.

9 "Health care consumer" means any resident of this State who
10 receives, utilizes, or consumes health care services or
11 products.

12 "Health care products" means products for the diagnosis,
13 prevention, treatment, cure, or relief of a physical or mental
14 health condition, illness, injury or any other matter that
15 concerning the provision and delivery of products to maintain
16 good health. The term includes, but is not limited to,
17 hospital, medical, surgical, dental, vision, psychological and
18 pharmaceutical products.

19 "Health care services" means services for the diagnosis,
20 prevention, treatment, cure, or relief of a physical or mental
21 health condition, illness, injury or any other matter
22 concerning the provision and delivery of services to maintain
23 good health. The term includes, but is not limited to,
24 hospital, medical, surgical, dental, vision, psychological and
25 pharmaceutical services. This term also includes health
26 insurance and medical malpractice insurance.

27 "Health insurance" means a contract relating to health care
28 where a person undertakes to indemnify or to pay a specified or
29 determinable amount or benefit upon determinable
30 contingencies.

31 "Immediate family" of a person means the person's spouse
32 and legal dependants.

33 "Medical malpractice insurance" means a contract relating
34 to medical malpractice where a person undertakes to indemnify
35 or to pay a specified or determinable amount or benefit upon
36 determinable contingencies.

1 "Member" means any person who meets the requirements for
2 membership in the Corporation set forth in subsection (b) of
3 Section 15.

4 "Political committee" means any committee, club,
5 association, or other group of persons which makes campaign
6 expenditures or receives campaign contributions during the
7 year before an election of the Board of Directors.

8 "Proceeding" means any formal meeting of a regulatory
9 agency or subdivision of a regulatory agency conducted by a
10 hearing examiner or other agent of the regulatory agency,
11 regarding the establishment or alteration of types, language,
12 or clauses, for the provision or sale of health care services
13 or health care products within this State; the establishment,
14 abrogation, or amendment of rules or regulations concerning
15 public health issues, individual health care consumers, health
16 care companies, or policies affecting this State in regard to
17 health care services, health care products and public health
18 issues or concerning the conduct of regulatory agency
19 proceedings themselves; or the adjudication of the claims or
20 petitions of individual health care consumers, health care
21 companies, or other persons or groups of persons.

22 "Public health issues" includes, but is not limited to,
23 food safety, water quality, air quality, childhood
24 immunization, vaccination, control of infectious diseases,
25 cancer, hazardous waste disposal, lead abatement,
26 bio-terrorism, public health programs, occupational safety,
27 land use, transportation; contracts between public health
28 agencies and health care companies; training and public
29 education related to cardiopulmonary resuscitation, use of
30 defibrillators, community-based health promotion and a healthy
31 lifestyle; and any laws, ordinances, regulations and
32 regulatory agency proceedings which affect any of the subjects
33 previously listed.

34 "Regulatory agency" means any State or unit of local
35 government agency or other public body with the legal authority
36 to establish or to approve, reject, or modify proposals to

1 offer for sale specific types of health care services and
2 products in this State; formulate or review policies affecting
3 individual health care consumers in this State in regard to
4 health care services and products; formulate or review policies
5 affecting this State in regard to public health issues; or
6 otherwise to regulate the activities of health care service or
7 product companies within this State.

8 Section 15. Creation of the Corporation; membership.

9 (a) There is created a nonprofit membership corporation to
10 be known as the Public Health Advocates referred to as the
11 Corporation.

12 (b) The membership of the Corporation shall consist of all
13 individual health care consumers and other residents of this
14 State who have contributed to the Corporation at least an
15 amount set by the Board of Directors in either its preceding or
16 its current fiscal year as a minimum fee; provided, that any
17 person may resign from membership. The fee shall be no lower
18 than \$5.

19 Section 20. Duties, Rights, and Powers.

20 (a) It shall be the duty of the Corporation to effectively
21 represent and protect the interests of individual health care
22 consumers of this State. All actions which it undertakes under
23 the provisions of this Act shall be directed toward that goal.

24 (b) The Corporation shall have all rights and powers
25 accorded generally to, and shall be subject to all duties
26 imposed generally upon, non-profit membership corporations
27 under the laws of this State.

28 (c) The Corporation may seek tax-exempt status under State
29 and federal law.

30 (d) The Corporation may solicit and accept gifts, grants,
31 and loans, except as prohibited in this Act.

32 (e) The Corporation may conduct, support, and assist
33 research, surveys, investigations, planning activities,
34 conferences, demonstration projects, individual health care

1 consumer counseling, and public information activities
2 concerning the interests of individual health care consumers
3 and public health issues.

4 (f) The Corporation may contract for services that cannot
5 reasonably be performed by its employees.

6 (g) The Corporation may represent the interests of health
7 care consumers before all legislative bodies of the State,
8 county, and local government and all other public forums.

9 (h) The Corporation may represent interests of individual
10 health care consumers before regulatory agencies and courts,
11 except as this Act otherwise provides.

12 (i) The Corporation shall not sponsor, endorse, or
13 otherwise support or oppose, any political party or the
14 candidacy of any person for public office.

15 (j) The Corporation may support or oppose initiatives or
16 referenda concerning public health issues or matters that it
17 determines may affect the interests of individual health care
18 consumers.

19 The Corporation shall have, in addition to the rights and
20 powers enumerated in this Act, any other incidental rights and
21 powers as are reasonably necessary for the effective
22 representation of the interests of individual health care
23 consumers.

24 Section 25. Representation of health care consumers in
25 regulatory agency proceedings.

26 (a) Each regulatory agency of the State and all units of
27 local government shall notify the Corporation in advance of the
28 time, place, subject, and names of parties for each proceeding
29 to which this Act applies, unless the regulatory agency
30 reasonably determines that the proceeding will not affect the
31 interests of individual health care consumers of this State or
32 does not relate to any public health issues. The regulatory
33 agency shall notify the Corporation at least 30 days before the
34 scheduled date of the proceeding or within 5 days after the
35 date is fixed, whichever is later.

1 (b) The Corporation may intervene as of right as a party or
2 otherwise participate in any regulatory agency proceeding that
3 the Corporation reasonably determines may affect the interests
4 of individual health care consumers or pertains to public
5 health issues. The intervention or participation of the
6 Corporation in any such proceeding shall not affect the
7 obligation of the regulatory agency to operate in the public
8 interest.

9 When the Corporation intervenes or participates in a
10 regulatory agency proceeding, it shall be subject to all laws
11 and rules of procedure of general applicability governing the
12 conduct of the proceeding and the rights of interveners and
13 participants. The Corporation shall have the same rights
14 regarding representation by counsel, participation in
15 pre-hearing conferences, discovery, requests for issuance of
16 subpoenas by the agency, stipulation of facts, presentation and
17 cross-examination of witnesses, oral and written argument,
18 participation in settlement negotiations, and other aspects of
19 the proceeding as accorded to other interveners under the laws
20 of this State, except as otherwise provided in this Act.

21 Section 30. Judicial review of regulatory agency
22 decisions; enforcement actions. The Corporation shall be
23 deemed to have an interest sufficient to maintain a civil
24 action for the review or enforcement of any regulatory agency
25 decision that the Corporation reasonably determines would
26 adversely affect the interests of a member so long as the
27 Corporation was a party to the regulatory proceeding that led
28 to the regulatory agency decision.

29 Section 35. Representation of members in lawsuits.

30 (a) If the Board of Directors or Executive Director
31 reasonably determines that bringing a civil action against a
32 health care company on behalf of any member or group of members
33 would further the general purposes of this Act, the
34 Corporation, with the consent of the member or group of

1 members, may provide the legal services necessary and the
2 expert witnesses' services reasonably appropriate for
3 prosecution of the action.

4 (b) Any member who receives money due to a settlement or
5 judgment attained with assistance in litigation provided by the
6 Corporation as described in subsection (a) shall reimburse the
7 Corporation for its expenses in prosecution of the action;
8 provided, that the reimbursement shall not exceed 10% of the
9 money received by the member.

10 Section 40. Funding of the Corporation.

11 (a) In this Section:

12 (1) "Enclosure" means a card, leaflet, envelope or
13 combination furnished by the Corporation under this
14 Section.

15 (2) "Mailing" means any communication by a State or
16 local unit of government agency that is sent through the
17 United States Postal Service to more than 500 persons
18 within a 12 month period.

19 (3) "Agency" means any officer, department, board,
20 commission, institution or entity of the executive or
21 legislative branches of State and local government.

22 (b) To accomplish its powers and duties under this Act, the
23 Corporation may prepare and furnish to any agency an enclosure
24 to be included with a mailing by that agency subject to the
25 following limitations:

26 (1) An agency furnished with an enclosure shall include
27 the enclosure within the mailing designated by the
28 corporation.

29 (2) An enclosure furnished by the Corporation under
30 this Section shall be provided to the agency a reasonable
31 period of time in advance of the mailing.

32 (3) An enclosure furnished by the Corporation under
33 this Section shall be limited to informing the reader of
34 the purpose, nature, and activities of the Corporation as
35 set forth in this Act and informing the reader that it may

1 become a member in the Corporation, maintain membership in
2 the Corporation, and contribute money to the Corporation
3 directly.

4 (c) The Corporation shall reimburse each agency for all
5 reasonable incremental costs incurred by the agency in
6 complying with this Section, above the agency's normal mailing
7 and handling costs, provided that the agency shall first
8 furnish the Corporation with an itemized accounting of the
9 additional cost; and the Corporation shall not be required to
10 reimburse the agency for postage costs if the weight of the
11 Corporation's enclosure does not exceed .35 ounce avoirdupois.
12 If the Corporation's enclosure exceeds that weight, then it
13 shall only be required to reimburse the agency for postage cost
14 over and above what the agency's postage cost would have been
15 had the enclosure weighed only .35 ounce avoirdupois.

16 (d) In the event that an agency is furnished with an
17 enclosure by the Corporation and by the Citizens Utility Board,
18 under Section 9 of the Citizens Utility Board Act designated
19 for the same mailing, the agency shall include whichever
20 enclosure it received first within the designated mailing. The
21 agency shall inform the Corporation or the Citizens Utility
22 Board that its mailing will not go out until the next mailing.
23 It shall include the other enclosure with the next mailing
24 designated by the entity that furnished it.

25 (e) No health care company or officer, employee, or agent
26 of a health care company may interfere or threaten to interfere
27 with or cause any interference with the delivery of any health
28 care services or health care products to any person who
29 contributes to the Corporation or participates in any of its
30 activities, in retribution for such contribution or
31 participation.

32 (f) No health care company or officer, employee, or agent
33 of a health care company may prevent, interfere with, or hinder
34 the activities described in this Section.

35 (g) The Corporation or any individual may borrow such
36 moneys as it requires, including moneys which may be loaned by

1 the State from funds appropriate for the purposes of meeting
2 the necessary expenses of postage, preparing, and printing
3 enclosures, initial organization and operation of the
4 Corporation for the period commencing on the effective date of
5 this Act and continuing until the first election of the board
6 of directors under Section 50. Such moneys borrowed by the
7 Corporation or any individual shall subsequently be repaid with
8 appropriate interest over a reasonable period of time. Any
9 loans that may be made to the Corporation by the State shall be
10 repaid within 24 months from the date the loan is made.

11 Section 45. Board of Directors.

12 (a) The affairs of the Corporation shall be managed by a
13 Board of Directors.

14 (b) Election and terms of directors. There shall be one
15 director for each board district. Corporation districts shall
16 be divided into 2 groups for the purpose of establishing terms
17 for which the directors shall be elected in each group. One
18 group shall be comprised of the even numbered board districts
19 and the other group shall be comprised of the odd numbered
20 board districts.

21 (c) The interim board, within 60 days after their
22 appointment, shall meet and publicly determine by lot which
23 group shall be the first group and which group shall be the
24 second. The Governor shall appoint the interim board members.
25 The appointees shall reflect the geographical diversity of this
26 State and shall include representation from minority groups,
27 low-income persons, labor organizations, businesses, women,
28 and senior citizens. The board members or their successors from
29 the first group shall be elected for successive terms of 2
30 years, 2 years, and 4 years; and members or their successors
31 from the second group shall be elected for successive terms of
32 4 years, 2 years, and 2 years.

33 (d) The first election of directors of the board is to be
34 held no later than 8 months after the first meeting of the
35 interim board. Subsequent elections of directors of the board

1 shall be held every 2 years after the first election. The board
2 may change the election date for the second election to up to
3 one month before or after the second anniversary of the first
4 election. All subsequent elections shall occur every 2 years on
5 the anniversary of the second election. This cycle shall begin
6 in the year following each decennial redistricting. If the
7 election day falls on a weekend or holiday, the election shall
8 occur on the next business day. In the year following a
9 decennial redistricting, all director's terms shall end and
10 elections for directors from the redrawn board districts shall
11 be held.

12 (e) Interim and elected board members shall serve until
13 their successors are elected and have qualified.

14 (f) Within 45 days after the redistricted board districts
15 are enacted, the board shall publicly allocate terms by lot
16 between the 2 groups of districts as provided in subsection
17 (b). Board members or their successors from the first group
18 shall be elected for successive terms of 2 years, 4 years, and
19 4 years; and members or their successors from the second group
20 shall be elected for successive terms of 4 years, 4 years, and
21 2 years. In the year following a decennial redistricting all
22 directors' terms shall end and elections for directors from the
23 redrawn board districts shall be held.

24 (g) In the event that board districts are redrawn for
25 reasons other than a decennial redistricting, within 45 days
26 after the redistricted county board districts are enacted, the
27 board shall publicly allocate terms by lot between the 2 groups
28 of districts as provided in subsection (b). The board shall
29 select terms for both groups in a manner consistent with
30 subsection (f) to ensure staggered elections until a decennial
31 redistricting occurs.

32 (h) Qualifications. Directors shall be residents of the
33 State and members of the Corporation. No official of a
34 regulatory agency or officer, employee, consultant, attorney,
35 accountant, real estate agent, shareholder, bondholder, or
36 member of the immediate family of an officer, employee,

1 consultant, attorney, accountant, real estate agent,
2 shareholder, or bondholder, or any health care company doing
3 business in this State shall be eligible to become a director.
4 A director shall be a resident of the district he or she
5 represents and a member of the Corporation. No director may
6 hold any elective position in federal, State, or local
7 government.

8 (i) Employment of director's family members. No director or
9 member of his or her immediate family shall, either directly or
10 indirectly, be employed for compensation as a staff member or
11 consultant of the Corporation.

12 (j) Meetings. The board shall hold regular meetings at
13 least once every 3 months on the dates and at the places as it
14 may determine. Special meetings may be called by the president
15 or by a majority of the directors upon at least 7 days advance
16 written notice. Unless otherwise provided in the bylaws, a
17 majority of the board of directors shall constitute a quorum.
18 In no event, however, shall a quorum consist of less than
19 one-third of the board of directors. The act of the majority of
20 the directors present at a meeting at which a quorum is present
21 shall be the act of the board of directors unless the act of a
22 greater number is required by this Act or its bylaws. A summary
23 of the minutes of every board meeting shall be made available
24 to each public library in the State upon request and to
25 individuals upon request.

26 (k) Expenses. A director may not receive any compensation
27 for his or her services, but shall be reimbursed for necessary
28 expenses, including travel expenses incurred in the discharge
29 of duties. The board shall establish standard allowances for
30 mileage, room, and meals and the purposes for which allowances
31 may be made. The board shall determine the reasonableness and
32 necessity for reimbursements.

33 (l) Bonding. Directors and employees eligible to disburse
34 funds shall be bonded. The costs of the bonds shall be paid by
35 the Corporation.

36 (m) The appointed directors shall:

1 (1) inform health care consumers of the State, by the
2 means provided for in this Act, of the existence, nature,
3 and purposes of the Corporation, and shall encourage health
4 care consumers to participate in the Corporation's
5 activities and to contribute to its operating funds;

6 (2) elect officers as provided in Section 55;

7 (3) employ such staff as the directors deem necessary
8 to carry out the purposes of this Act;

9 (4) make all necessary preparations for the first
10 election of directors, oversee the election campaign, and
11 tally the votes, as provided in Section 50; and

12 (5) carry out all other duties and exercise all other
13 powers accorded to the Board of Directors in this Act.

14 (n) One director shall be elected from each district in the
15 State, under procedures established in Section 50. Each
16 director shall represent the interests of the health care
17 consumers of his or her district. Each director shall have one
18 vote in the Board of Directors. Elected directors shall be
19 installed in office by the President of the outgoing Board of
20 Directors.

21 (o) When a director dies, resigns, is disqualified, or
22 otherwise vacates his or her office, the Board of Directors
23 shall select within 3 months a successor from the same district
24 as the director for the remainder of the director's term of
25 office. Any director may nominate any qualified person as
26 successor. The Board of Directors shall select the successor
27 from among those nominated, by a two-thirds majority of the
28 remaining directors present and voting. The successor shall be
29 installed in office by the President of the Board of Directors.

30 (p) The elected Board of Directors shall have the following
31 duties:

32 (1) to maintain up-to-date membership rolls and to keep
33 them in confidence;

34 (2) to keep minutes, books, and records that shall
35 reflect all the acts and transactions of the Board of
36 Directors that shall be open to examination by any member

1 during regular business hours;

2 (3) to make all reports, studies, and other information
3 compiled by the Corporation under subsection (d) of Section
4 20, and all data pertaining to the finances of the
5 Corporation, available for public inspection during
6 regular business hours;

7 (4) to prepare quarterly statements of the financial
8 and substantive operations of the Corporation, and make
9 copies of the statements available to the general public;

10 (5) to cause the Corporation's books to be audited by a
11 certified public accountant at least once each fiscal year,
12 and make the audit available to the general public;

13 (6) to prepare and mail, as soon as practicable after
14 the close of the Corporation's fiscal year, an annual
15 report of the Corporation's financial and substantive
16 operations to each member;

17 (7) to report to the membership meeting on the past and
18 projected activities and policies of the Corporation;

19 (8) to employ an Executive Director and direct and
20 supervise his or her activities; and

21 (9) to carry out all other duties and responsibilities
22 imposed upon the Corporation and the Board of Directors by
23 this Act.

24 (q) The Treasurer shall reimburse Directors for actual
25 expenses necessarily incurred by them in the performance of
26 their duties.

27 Section 50. Election of directors.

28 (a) The time of elections shall be as follows:

29 (1) when the membership of the Corporation has reached
30 1,000 persons and the Corporation has received \$10,000 in
31 contributions, the appointed directors shall promptly fix
32 a date for the first election of directors. The election
33 shall be held not less than 4 months and not more than 6
34 months after the membership and contributions have both
35 reached the prescribed levels; and

1 (2) subsequent elections of directors shall be held at
2 yearly intervals after the first election. The dates of the
3 elections shall be fixed not less than 4 months in advance
4 by the Board of Directors.

5 (b) To be eligible for election to the Board of Directors,
6 a candidate must:

7 (1) meet the qualifications for directors prescribed
8 in subsection (d) of Section 45;

9 (2) be a resident of the district that he or she seeks
10 to represent;

11 (3) have his or her nomination certified by the Board
12 of Directors under subsection (c);

13 (4) submit to the Board of Directors a statement of
14 financial interests in accordance with subsection (d) and a
15 statement of personal background and positions in
16 accordance with subsection (e); and

17 (5) make the affirmation prescribed in paragraph (5) of
18 subsection (f).

19 (c) A candidate for election to the Board of Directors
20 shall submit to the Board, not later than 60 days prior to the
21 election, a statement of intent to be a candidate. Upon receipt
22 of the statement of intent the Board shall certify the
23 nomination of the candidate.

24 (d) A candidate for election to the Board of Directors
25 shall submit to the Board, not later than 60 days prior to the
26 election, a statement of financial interest upon a form
27 approved by the Board of Directors. The statement of financial
28 interests shall include the following information:

29 (1) the occupation, employer, and position of the
30 candidate and of his or her immediate family members;

31 (2) a list of all corporate directorships or other
32 offices, and of all fiduciary relationships, held in the
33 past 3 years by the candidate and by his or her immediate
34 family members;

35 (3) the name of any corporation in which the candidate
36 holds a security, the current market value of which is

1 \$2,500 or more;

2 (4) the name of any corporation in which the
3 candidate's immediate family members hold a security, the
4 current market value of which is \$2,500 or more;

5 (5) an affirmation, subject to penalty of perjury, that
6 the information contained in the statement of financial
7 interest is true and complete.

8 (e) A candidate for election to the Board of Directors
9 shall submit to the Board, not later than 60 days prior to the
10 election, a 2-page statement concerning his or her personal
11 background and positions on issues relating to public health
12 initiatives, health care services, health care products, or the
13 operations of the Corporation. The statement shall contain an
14 affirmation, subject to penalty of perjury, that the candidate
15 meets the qualifications prescribed for directors in
16 subsection (d) of Section 45 and is a resident of the district
17 that he or she seeks to represent. The Board of Directors may
18 limit the number of words a candidate may use in the statement.

19 (f) Restrictions on and reporting of campaign
20 contributions and expenditures shall be as follows:

21 (1) each candidate may accept no more than \$100 in
22 campaign contributions from any person or political
23 committee from one year before the date of an election
24 through the date of the election;

25 (2) each candidate shall keep complete records of all
26 contributions to his or her campaign of \$25 or more made
27 from one year before the date of an election through the
28 date of the election;

29 (3) each candidate who avails himself or herself of the
30 Corporation's distribution of his or her statement of
31 personal background and positions, may incur no more than
32 \$1,000 in campaign expenditures, from the time he or she
33 commences circulation of petitions for nomination or from 4
34 months prior to the election, whichever is earlier, through
35 the date of the election;

36 (4) each candidate shall keep complete records of his

1 or her campaign expenditures, and shall make the records
2 available for inspection during normal business hours to
3 any member or employee of the Corporation; and

4 (5) no earlier than 14 days and no later than 8 days
5 preceding the election, and no earlier than 21 days and no
6 later than 30 days after the election, each candidate for
7 election to the Board shall submit to the Board an accurate
8 statement of his or her campaign contributions, swearing
9 that he or she has fully complied with the requirements of
10 this Section.

11 (g) Election Procedures shall be as follows:

12 (1) The Board of Directors shall send by first class
13 mail to each member, in districts where more than one
14 candidate has been certified, no sooner than 21 and not
15 later than 14 days before the date fixed for the election:

16 (A) an official ballot listing all candidates for
17 District Director from the member's district whose
18 nominations the Board has certified and who have
19 complied with the requirements of this Section;

20 (B) each candidate's statement of financial
21 interest; and

22 (C) the statement of personal background and
23 position of each candidate who requests the mailing of
24 his or her statement at the time he or she submits it
25 to the Board.

26 (2) Each member may cast a vote in the election by
27 returning his or her official ballot, properly marked, to
28 the head office of the Corporation by 8 p.m. on the date
29 fixed for the election or if it is sent by mail, it shall
30 be deemed to have been received on time if it is
31 postmarked.

32 (3) Voting shall be by secret ballot.

33 (4) The Board of Directors shall tally votes with all
34 reasonable speed and shall inform the membership promptly
35 of the names of the candidates elected.

36 (5) In each District, the District director candidate

1 with the most votes shall be declared elected.

2 (h) The President of the Board of Directors shall install,
3 within 30 days after the election, all elected candidates who
4 meet the qualifications under subsection (b).

5 (i) The Board of Directors may prescribe rules for the
6 conduct of elections and election campaigns not inconsistent
7 with this Act.

8 Section 55. Officers.

9 (a) At the first regular meeting of the Board of Directors,
10 at which a quorum is present, subsequent to the initial
11 appointments of directors and at the first regular meeting of
12 the Board, at which a quorum is present, subsequent to the
13 installation of new directors following each annual election,
14 the Board shall elect by majority vote of members present and
15 voting from among the directors a President, Vice President,
16 Secretary, and Treasurer. The Board shall also have the power
17 to elect a Comptroller and any other officers as it deems
18 necessary.

19 (b) Officers shall be installed by the President
20 immediately upon their election. The term of office for
21 officers shall be one year; provided that an officer may
22 resign, or may be removed from office by a two-thirds vote of
23 all the directors. After an officer's term of office has
24 expired, the officer shall continue to serve until his or her
25 successor is installed. When an officer dies, resigns, is
26 removed, or otherwise vacates his or her office, the Board of
27 Directors shall elect a successor to serve out the officer's
28 term of office.

29 (c) The officers shall exercise the powers and perform the
30 duties as are prescribed under this Act or as delegated to them
31 by the Board of Directors.

32 Section 60. Executive Director.

33 (a) The Board of Directors shall employ an Executive
34 Director.

1 (b) The Executive Director shall have the following powers
2 and duties, subject at all times to the directions and
3 supervision of the Board of Directors:

4 (1) to decide upon the course of action of the
5 Corporation regarding appearances before regulatory
6 agencies, legislative bodies, courts, and other public
7 bodies, and regarding other activities that the
8 Corporation has the authority to perform under this Act;

9 (2) to employ and discharge employees of the
10 Corporation;

11 (3) to supervise the offices, facilities, and work of
12 the employees of the Corporation;

13 (4) to have custody of and to maintain the books,
14 records, and membership rolls of the Corporation, in
15 accordance with the provisions of this Act;

16 (5) to prepare and submit to the Board of Directors
17 annual and quarterly statements of the financial
18 substantive operations of the Corporation, and financial
19 estimates for the future operations of the Corporation;

20 (6) to attend and participate in meetings of the Board
21 of Directors as a nonvoting director; and

22 (7) to exercise any other powers and perform any other
23 duties as the Board of Directors delegates to him or her.

24 (c) The Executive Director may be discharged by two-thirds
25 vote of all the directors.

26 Section 65. Annual membership meeting.

27 (a) An annual meeting of the membership shall be held once
28 a year on a date and at a place within the State to be
29 determined by the Board of Directors.

30 (b) All members shall be eligible to attend, participate
31 in, and vote in the annual membership meeting.

32 (c) The form of the annual membership meeting shall be as
33 provided in the law of this State regarding nonprofit
34 membership corporations.

35 (d) The annual membership meeting shall be open to the

1 public.

2 Section 70. Corrupt practices and conflicts of interest.

3 (a) Neither the Corporation nor its directors, employees,
4 or agents shall offer anything of monetary value to, or accept
5 anything of monetary value from, any public official or
6 employee of any health care company or employer or agent
7 covered by this Act, except as otherwise provided in this Act.

8 (b) No director shall personally or through any partner or
9 agent render any professional service or make or perform any
10 business contract with or for any health care company.

11 (c) No public official or employee of a health care company
12 or employer covered by this Act or agent shall offer anything
13 of monetary value to, or accept anything of monetary value from
14 the Corporation or its directors, employees, or agents, except
15 as otherwise provided in this Act.

16 (d) The office of a director found in violation of
17 subsection (a) or (b) shall be declared vacant.

18 Section 75. Construction of the Act.

19 (a) The provisions of this Act shall be construed in a
20 manner to enable the Corporation effectively to represent and
21 protect the interests of the health care consumers of this
22 State and promote public health issues.

23 (b) Nothing in this Act shall be construed to limit the
24 right of any person to initiate, intervene, or otherwise
25 participate in any regulatory agency proceeding or court
26 action, or to relieve any regulatory agency or court of any
27 obligation, or to affect its discretion, to permit intervention
28 or participation by any person in any proceeding or action.

29 Section 99. Effective date. This Act takes effect upon
30 becoming law.